

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6878

BILL NUMBER: HB 1222

NOTE PREPARED: Dec 29, 2006

BILL AMENDED:

SUBJECT: Services for Children with a Developmental Disability.

FIRST AUTHOR: Rep. Summers

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill appropriates to the office of the Secretary of Family and Social Services (FSSA) an amount sufficient to fund services for 50 individuals in small behavior management residences for children with a developmental disability. The bill requires the Division of Disability and Rehabilitative Services (DDRS) to work with the necessary entities of state government to ensure that small behavior management residences for children with a developmental disability are available and located equitably throughout Indiana based on current and projected needs.

Effective Date: July 1, 2007.

Explanation of State Expenditures: *Summary:* This bill appropriates funding to FSSA for FY 2008 and FY 2009 for services for 50 individuals in small behavior management residences for developmentally disabled children. The state share of the total cost to provide services is estimated to be approximately \$2 M each year, or \$4.1 M over the two-year period. Ultimately, the total cost will depend upon the service requirements of the particular individuals receiving services at any given time.

Background: The current cost to provide services for one recipient annually is approximately \$114,350. The total cost to provide services for 50 individuals is estimated to be \$5.7 M annually. This totals approximately \$11.4 M over the two-year period. The state share of Medicaid expenditures is approximately 38%. Thus, the state share of the total cost to provide services over a two-year period would be approximately \$4.3 M, with federal reimbursement of about \$7.1 M. Ultimately, the total costs will depend upon the service requirements of the particular individuals receiving services at any given time.

The expenditures for direct services in the Medicaid Program are shared with the federal government. The

federal cost-sharing rate (federal matching assistance percentage, or FMAP) is annually determined and currently is approximately 62% with the state share being approximately 38%. Currently, the state share of expenditures for these expenditures are paid from the Medicaid Account in the state General Fund, as well as General Fund appropriations from DDRS.

There are currently 16 small behavior management residences for children in the state. These facilities house 85 beds, all of which are currently occupied. Individuals must meet Bureau of Developmental Disabilities Services (BDDS) eligibility criteria as well as supervised-group-living level of care in order to be eligible for services. BDDS has placement authority of individuals wanting to move into these facilities. All beds are Medicaid-certified.

Explanation of State Revenues: See *Explanation of State Expenditures* regarding federal reimbursement in the Medicaid Program.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration.

Local Agencies Affected:

Information Sources: Indu Vohra, FSSA; Myers & Stauffer.

Fiscal Analyst: Sarah Brooks, 317-232-9559.